VZCZCXRO9552 OO RUEHIK DE RUEHTA #0255/01 0530912 ZNR UUUUU ZZH O 220912Z FEB 10 FM AMEMBASSY ASTANA TO RUEHC/SECSTATE WASHDC IMMEDIATE 7526 INFO RUCNCIS/CIS COLLECTIVE 2523 RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHZL/EUROPEAN POLITICAL COLLECTIVE RUEHKO/AMEMBASSY TOKYO 2575 RUEHBJ/AMEMBASSY BEIJING 1869 RUEHUL/AMEMBASSY SEOUL 1485 RUEAIIA/CIA WASHDC RHEFAAA/DIA WASHDC RHEHNSC/NSC WASHDC 2066 RUEKJCS/SECDEF WASHDC 1914 RHMFIUU/CDR USCENTCOM MACDILL AFB FL RUEKJCS/JOINT STAFF WASHDC RUCPDOC/DEPT OF COMMERCE WASHINGTON DC RHMFISS/DEPT OF ENERGY WASHINGTON DC RUEATRS/DEPT OF TREASURY WASHINGTON DC RUCNDT/USMISSION USUN NEW YORK 2718 RUEHNO/USMISSION USNATO 3008

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TAGS: PGOV PHUM ECON EPET ENRG SOCI SENV KCRM KDEM KZ
SUBJECT: KAZAKHSTAN: WEEKLY SPOT-REPORT DIGEST, FEBRUARY 16-19

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11. (SBU) This is the first edition of a new weekly cable to disseminate spot reports based on Embassy conversations with interlocutors, as well as from the mass media. Our goal is to draw attention to information that might not merit a full cable report.

POLITICAL DEVELOPMENTS - NAZARBAYEV TALKS SUMMIT IN MOSCOW

- 12. (U) Russian Central Asia analyst Arkadiy Dubnov told Deutsche Welle that during President Nazarbayev's Moscow visit the most important issue was the OSCE summit in Astana. Dubnov predicted that Foreign Minister Lavrov will visit Kazakhstan on February 21-23 to discuss the summit agenda and "other delicate issues."
- ... AND KAZAKHSTAN JOINS MOSCOW-BACKED RAPID REACTION FORCE
- 13. (U) On February 17, the Associated Press reported Kazakhstan ratified an accord Wednesday committing it to a NATO-style rapid-reaction force drawn from the armies of former Soviet nations, the Kazakh presidential press office said in a statement. The force will operate under the auspices of the Collective Security Treaty Organization, a Russian-backed military bloc that also includes Armenia, Belarus, Kyrgyzstan, Uzbekistan and Tajikistan as members. Uzbekistan now remains the only organization member not to sign the rapid reaction force agreement. Uzbekistan, which regards itself as Central Asia's main military power broker, has traditionally been wary of Moscow's attempts to dominate security in the region. The force's stated aim is to combat threats of terrorism, extremism and drug trafficking, as well as helping to deal with the aftermath of natural and man-made disasters.

ON THE ECONOMIC FRONT, CUSTOMS DESCRIBES NEW CODE

14. (SBU) On February 17, Customs Control Committee Chairman Kozykorpesh Karbuzov presented highlights of the new Customs Code for the Customs Union of Russia, Belarus and Kazakhstan. According to Karbuzov, the new Customs Code will come into force on July 1, and will reduce administrative barriers to trade. Karbuzov thanked USAID for technical assistance in designing an "electronic single window." Igor Tyen, Deputy Chairman of the Customs Control Committee, said that customs clearance is no longer required for

goods traded among Kazakhstan, Belarus, and Russia, or for foreign goods released for consumption inside Customs Union member states. Tyen also reported that, although the Custom Union does not cover export duties, the Customs Union's Special Agreement on Export Control would prevent the illegal export of goods from the territory of Customs Union member states.

EBRD COMMENTS ON FINANCIAL AND ECONOMIC SITUATION

15. (SBU) The Ambassador had lunch on February 18 with Olivier Descamps and Michael Weinstein of the European Bank for Reconstruction and Development (EBRD) to discuss the economic and financial situation in Kazakhstan. Descamps, who is based in London and oversees EBRD projects in Central Asia, Turkey, Eastern Europe, and the Caucasus, said the EBRD is deepening its relationship with Samruk-Kazyna, although it will not provide carte blanche for a long-term, state-driven approach to economic growth. He also insisted that the economic crisis is not yet over in Kazakhstan, and said greater diversification of the economy is necessary to achieve sustained growth.

JAILED KAZAKHSTANI RIGHTS ACTIVIST LAUNCHES BLOG

16. (U) Jailed Kazakh human rights defender Yevgeny Zhovtis has begun publishing a blog on the Internet, RFE/RL's Kazakh Service reported on February 17. Zhovtis was the director of the Almaty-based Kazakh Bureau for Human Rights. He is serving a four-year jail term in a labor camp in East Kazakhstan Oblast for his involvement in a deadly traffic accident last year. His supporters and human rights organizations have criticized his sentence, which they say Kazakh authorities ordered in retaliation for Zhovtis's human rights activities. His blog is blocked in Kazakhstan and only available via a proxy server.

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COURT REVERSES NEWSPAPER'S SUSPENSION FOR OUTSTANDING DEBT

17. (U) On February 16, the Medeu district court in Almaty reversed the February 8 court administrator's order that suspended publication of the Respublika newspaper for failure to pay in full its outstanding debt of 60 million tenge to BTA bank. The newspaper filed a counter-suit, arguing that only a judge can order a suspension, and the court agreed with the newspaper. As reported previously, the same court ruled on September 9 that Respublika owed BTA bank 60 million tenge in damages for publishing an article that caused a debilitating run on the bank.

FINANCIAL POLICE ACADEMY DIRECTOR "COMMITTED HARA-KIRI"

18. (SBU) More details have come out about the mysterious resignation of Director of the Financial Police Academy (FPA) General-Major Ramazan Tleukhan on February 1. On February 18, sources in the FPA told the Embassy that Tleukhan resigned his position because an administrative employee was arrested for sexual assault, allegedly committed against a 17-year-old girl. Although the employee was not high-placed and the crime was not connected to the FPA, Tleukhan's personal code of honor demanded that he step down. The Embassy has had an excellent relationship with the FPA since 2003, and Tleukhan was one of INL's most reliable interlocutors. The previous FPA Director left his position in 2007 after a female cadet was tortured to death by other female cadets after being accused of theft. A new FPA Director has not yet been appointed; INL had a productive initial meeting with the Acting Director of the FPA on February 17.

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